

REQUEST FOR PROPOSAL

VENDING SERVICE FOR BEVERAGES AND SNACKS

SPECIAL CONDITIONS

1.0 General Terms

The successful vendor(s) will be awarded contract(s), as specified in Options 1, 2 or 3 granting an exclusive right to operate a vending machine service(s) at locations designated by the Chester County Schools Group (hereafter referred to as "The Group") at their various schools, districts or campuses.

1.1 Surety Bond

The successful vendor (hereafter referred to as a vendor) shall be required to furnish a surety bond in the amount of \$1,000,000 per year. Such bond must be furnished within ten (10) days upon notification of award. The surety bond shall be furnished by a company licensed to do business in the State of Pennsylvania and shall be renewed thirty (30) days prior to the expiration of each year of the contract. Failure to provide the required bond within ten (10) days of receipt of notification of intent to award the contract may result in cancellation of contract award.

1.2 Pre-Proposal and Inspection of Premises

Vendors shall inspect the schools and district premises completely, and interview the individual Group representatives prior to submitting a proposal in order to determine all requirements associated with the contract, and district needs including, but not limited to, restrictions on sales in cafeterias, line sales, product nutritional value in cafeterias, food service revenue, etc.

This RFP is intended to solicit various scenarios/proposals for the members of the Group based on individual needs and wants (i.e. levels of advertising, cash payment vs. equipment, etc.).

A meeting will be held with all prospective vendors on _____. At this meeting any questions that vendors may have will be answered. All answers to questions that may arise will be in the form of an addendum. Please contact the following person for meeting site information or questions regarding this proposal:

Matt Altier
Chester County Intermediate Unit
535 James Hance Court
Exton, PA 19341-2547
Telephone: 610-524-5071

1.3 Basis of Proposal Evaluation

The Group reserves the right to reject any and/or all proposals. The specific method and criteria which The Group will use to determine the best proposal(s) are explained in Section 10.0.

1.4 Applicable Law

These contracts shall be governed and interpreted by the laws of the State of Pennsylvania. Disputes arising from, or in connection with, the contract(s) shall be determined before a Pennsylvania court of competent jurisdiction or through an applicable administrative proceeding whichever is appropriate to the circumstances under Pennsylvania law.

1.5 Contract Assignment

This contract(s) and any part thereof shall not be subcontracted, assigned to another contractor or otherwise encumbered without prior written permission of The Group.

1.6 Contract Commencement

The Group intends that the contract(s) resulting from this Request for Proposal will be entered into and signed on or about January 1, 2000. The successful vendor must have its vending machine services installed and ready for full operation by March 1, 2000.

1.6.1 The vendor shall notify The Group's representatives not less than two (2) days prior to the full commencement of operations to permit inspection of the premises by The Group's representatives.

1.6.2 All machine locations and installations shall not be put into operation until approval has been received by The Group's representatives.

1.6.3 The Group's representatives shall be kept advised, in writing, of the current location, quality, type and serial number of the machines in use on the premises.

1.7 Entire Agreement

Upon award of these contracts the entire agreement between the parties shall consist of the contract documents which shall be substantially the same as the terms, conditions and specifications of the Request for Proposal; those documents issued by The Group; and the documents submitted by the successful respondent.

1.7.1 Relationship of the Parties

The vendor is, and shall remain, an independent contractor operating in accord with the terms and conditions of the contract granted as a result of this Request for Proposal.

The vendor shall not seek credit nor do business in the name of The Group.

1.8 Contract Termination

Any member of The Group may terminate the individual campus contracts for failure of the vendor to comply with any material provisions including, but not limited to, failure to provide sufficient insurance, failure to make payments when due, failure to maintain sanitary conditions and failure to maintain quality of service. Prior to termination of its contract, the vendor shall be given ten (10) days advance written notice and an opportunity to make corrections.

1.9 Notice

Where notice is required or permitted by this contract, it shall be in writing and sent by first class mail, return receipt requested, or by personal delivery to the parties at the following addresses:

For Vendor: _____ For Group: See page #1, paragraph 1.2 or such address as the parties may designate in writing from time to time.

1.10 Parties to the Contract

The contracts shall be between The Group's individual members and the successful vendor(s) for the provision of vending services according to the terms agreed upon. The identified institutional representatives shall be the representatives of The Group responsible for the administration of the contract and referred to herein as "the appropriate school authority."

1.11 The contract shall be for a period of five (5) years. At the end of this period, this agreement may be re-bid, renewed for an additional two (2) years, or terminated.

1.12 Insurance

It shall be the responsibility of the successful vendor to maintain Worker's Compensation Insurance, Public Liability Insurance, Property Damage Insurance and Vehicle Liability Insurance during the time any of his/her personnel are working on The Group's properties.

Attention is called to the fact that all insurance companies shall be authorized to do business in the State of Pennsylvania.

The Certificate of Insurance shall name the Chester County Intermediate Unit, Coatesville Area School District, Downingtown Area School District, Great Valley School District, Kennett Consolidated School District, Owen J. Roberts School District, Oxford Area School District, Tredyffrin/Easttown School District, Unionville-Chadds Ford School District and West Chester Area School District as additional insurers. There shall be no deductions or exclusions to any insurance policies.

1.13 The vendor(s) shall secure and pay the premium(s) for such of the following policies of insurance with respect to which minimum limits are fixed in the schedule set forth below. Each such policy shall be maintained in at least the fixed limit, shall cover all of the vendor's operations and shall be effective throughout the contract period. It is not the intent of this schedule to limit the types of insurance required.

Insurance Schedule

<u>Policy</u>	<u>Minimum Limits</u>
Worker's Compensation	Statutory
Comprehensive General Liability	
Bodily Injury Liability	\$1,000,000 Each Person \$1,000,000 Each Occurrence \$1,000,000 Aggregate
Property Damage Liability	\$200,000 Each Occurrence \$200,000 Aggregate
Comprehensive Automobile Liability	
Bodily Injury Liability	As required by the State of PA
Property Damage Liability	As required by the State of PA
Excess Umbrella Liability	
Combined Single Limit Bodily Injury and/or Property Damage	\$1,000,000 Each Occurrence \$1,000,000 Aggregate

Comprehensive Liability to include, but not limited to:

(1) Consumption or Use of Product; (2) Existence of Equipment or Machines on Location; (3) Contractual Obligations to Customers.

1.13.1 As to any insurance required, a certified copy of each of the policies or a certificate(s) evidencing their existence or binders, shall be delivered to The Group within ten (10) days after the award of the contract. In the event any binder is delivered, it shall be replaced within thirty (30) days by a certified copy of the policy or a certificate in lieu thereof. Each such copy or certificate shall contain a valid provision or endorsement that the policy may not be canceled, terminated, changed or modified without giving thirty (30) days written advance notice thereof to The Group's representatives. A renewal policy or certificate shall be delivered to The Group at least thirty (30) days prior to the expiration date of each expiring policy.

If, at any time, any of the policies shall be or become unsatisfactory to The Group as to form or substance, or if any of the carriers issuing such policies shall be or

become unsatisfactory to The Group, the vendor shall promptly obtain a new and satisfactory policy in replacement upon written notice from The Group.

1.13.2 If determined necessary by The Group's representatives, the vendor shall deliver to The Group's representatives, upon demand, the original of any policy required herein for review and upon completion of said review, said policy shall be returned to the vendor.

1.14 **Award**

The intended award of this proposal will be available in the Business Office of the Chester County Intermediate Unit and is subject to cancellation upon the timely filing of a protest.

1.15 **Worker's Compensation Insurance**

The contractor shall take out and maintain during the life of this agreement, Worker's Compensation Insurance for all of his/her employees connected with the work of this project. Such insurance shall comply fully with the Pennsylvania Worker's Compensation law. In case any class of employees engaged in hazardous work under this contract at the site of the project is not protected under the Worker's Compensation statute, the contractor shall provide adequate insurance, satisfactory to the Purchaser, for the protection of his/her employees not otherwise protected.

1.16 **Hold Harmless**

Contractors, their officers, employees and agents agree to indemnify and hold harmless The Group and their respective officers, agents and employees from and against any and all liability, fines, royalties, fees, taxes, suits, claims, demands and actions, costs, attorneys fees, and expenses of any kind or nature whatsoever for any loss of life, personal or economic injury or damage or loss to property which may be sustained by reason of, based upon or in any way arising out of or in connection with this contract and contractor's activities undertaken on The Group's premises and from and against any orders, judgments or decrees which may be entered pursuant thereto except that nothing herein shall be deemed to relieve The Group of any negligent or willful acts by their respective officers, employees and agents. Nothing in this agreement shall be deemed to affect the rights, privileges and immunities afforded The Group by state or federal law.

1.17 **Facilities**

The Group reserves the right to inspect the Vendor's facilities at any time with prior notice.

1.18 Disqualification of Vendor

More than one proposal from an individual, firm, partnership, corporation or association under the same or different name will not be considered unless that proposal is a joint proposal for both beverages and snacks. Reasonable grounds for believing that a vendor is involved in more than one proposal for the same work will be cause for rejection of all proposals in which such vendors are believed to be involved. Any or all proposals will be rejected if there is reason to believe that collusion exists between vendors. Proposals in which the prices obviously are unbalanced will be subject to rejection.

2.0 Changes in Service

2.1 Any member of The Group may require the vendor to make additions, deletions or other modifications with respect to the various items provided through the vending service or require changes with respect to the location, types, number and mixture of the vending machine equipment without violating any provisions of the contract(s).

2.2 Recognizing that The Group is awarding this contract(s) for the convenience and benefit of the students and staff of The Group, successful performance of this contract by the vendor is dependent upon favorable response from the users. The vendor shall meet regularly with the identified designees to make adjustments in operations and shall cooperate at all times to maintain maximum efficiency and good public relations with students and staff.

**PROPOSAL SPECIFICATIONS
CANNED CARBONATED BEVERAGES**

**3.0 VENDING PRICES, PORTIONS AND PRODUCT SPECIFICATIONS
(Please Complete Attachment #1)**

3.1 The vendor shall comply with the portions and prices specified in this document.

3.2 Prices and portions submitted with this proposal will not change for at least one (1) year after the contract is awarded. Price and portion change requests from the vendor may be submitted to the individual members of The Group for consideration not later than June 1 of each year. The Group will agree only to price and/or portion changes which will take effect at the start of the Fall Term.

3.3 Canned/Bottled Carbonated or Uncarbonated Beverages

3.3.1 A minimum of six (6) flavors per each machine that may include national cola brand and the cola's affiliated franchise products (including caffeine-free products). The variety of other flavors and brands is subject to The Group's representatives.

In addition, vendor shall propose a list of the brand name beverages to be sold in different flavor categories, to include some with and without caffeine. Vendor shall also specify the particular products it can provide in order to meet students' demands for the most popular flavors, and food service needs for nutritional requirements for products sold in and around cafeterias.

**PROPOSAL SPECIFICATIONS
SNACKS, JUICES, MISCELLANEOUS**

**4.0 VENDING PRODUCTS AND PROPOSED VENDING PRICES
(Please Complete Attachment #2)**

4.1 Candy, Crackers, Mints, Nuts

All brands are to be limited to those enjoying regional acceptance. Packaging to conform to manufacturer's standards in terms of weight and size and appropriate proportions to student age in buildings.

4.2 Chips

All brands shall require The Group's representatives approval and shall be regionally accepted brands. Portion size shall be at least minimum standard vend pack.

4.3 Fresh Pastries and Large Cookies

4.4 Coffee, Chocolate

Fresh brewed single cup coffee; minimum choice five (5) ways. Hot chocolate. Quality of each product shall require The Group's representatives approval, where appropriate.

4.5 Milk and Natural Fruit Juices

As approved by individual Group representatives.

4.6 Ice Cream Product

Various, please specify.

4.7 All perishable food shall be date stamped and replaced with fresh product on inventory rotation schedules so as to ensure adequate freshness to consumers. The coding system in use by the manufacturer shall be made known to The Group and The Group shall be entitled to direct changes in the rotation schedule.

4.8 Labeling on all vended perishable foods shall comply with all USDA and FDA regulations, qualifications and The Group's policy regarding packaging, labeling, ingredient listing and standards.

4.9 The vendor, subject to The Group's approval, shall provide adequate quality controls regarding vending products. These shall include brands, temperature or environmental controls and when applicable and proper the rotation of stock. The vendor shall be alert to changing food service trends, new market forms of food and changing diet patterns being evolved throughout the vending industry. As a

result, vendor shall be expected to initiate ideas for varied methods of vending service and by mutual agreement these variations shall be instituted within the conditions of this contract.

- 4.10 The candy, mint and nut selections shall require prior approval from The Group. The vendor shall provide a mixture of these selections in each machine and shall periodically change the mixture so as to provide variety of choice to consumers.

5.0 **Advertising Rights**

Contractor shall not advertise or enter into any exclusive agreements with suppliers or advertisers without the prior written consent of The Group, which consent shall not be unreasonably withheld.

6.0 **Personnel, Employment Practices and Staffing**

All vendor employees will work on school locations and must have an Act 34 clearance.

- 6.1 The vendor shall provide management staff, made known to The Group by name, to routinely review and inspect operations, fill staff vacancies if necessary, consult with The Group on current and future vending programs and to act with full authority on the vendor's behalf in any and all matters pertaining to this contract.

- 6.2 Personnel relations or employees on the vendor's payroll shall be the vendor's responsibility. The vendor shall comply with all applicable government regulations related to the employment, compensation and payment of personnel. All employees of the vendor who handle cash in connection with this contract shall be bonded.

- 6.3 The vendor shall have the resources and staff to continually provide satisfactory training and development programs for vendor's employees at all levels of the organization. Regularly scheduled employee training shall be conducted by the vendor regarding such subjects as refrigeration maintenance, defensive driving, equipment repair and proper sanitation. The vendor shall be responsible for the expense of such training activities.

- 6.4 Personnel of the vendor shall observe rules and regulations of each of the schools in The Group and shall maintain a neat, clean appearance and a courteous manner. Failure to do so may be grounds for barring such personnel in their employment capacity with The Group.

- 6.5 Employee uniforms shall be provided by the vendor which are suited for the job function intended and which easily and appropriately identify the vendor and employee by name.

7.0 Equipment, Utilities, Supplies

7.1 Attachment #4 (plus others), Vending Location Report, shows the on-campus locations, types and mixture of vending equipment. For the first six (6) months of the contract, the vendor's operations must be in accordance with this Attachment. After the six (6) months, either party may initiate consultations with the other with respect to adding or deleting equipment or making changes in their locations and mixture. After such consultations, each Group's representative shall be entitled to require the vendor to make changes of this nature.

Additionally, a commercial microwave oven shall be installed in each area where cold food products are dispensed, where applicable.

7.2 The vending equipment shall be compatible in terms of decor when three (3) or more machines are placed together at one (1) location. The vending equipment shall be the same height to give uniformity of appearance and shall be equipped with dollar bill validators (DBV) and accept any combination of nickels, dimes and quarters. Machines must be able to change dollar bills.

The snack machines will have open window display.

7.3 For record keeping purposes of both parties, initial and subsequent equipment installation shall be identified by equipment serial number, manufacturer, meter reading and location. Records shall be updated upon any change.

7.4 Where necessary, and upon mutual agreement, utilities shall be brought to the vending equipment by the necessary member of The Group.

7.5 Ownership of all vending equipment shall remain with the vendor. The vendor, by submitting a proposal, acknowledges that they are solely responsible for providing reasonable and adequate security against damage and loss through vandalism and theft. Therefore, the vendor assumes the risk of such damage or theft. Equipment repairs and/or replacements shall be at the vendor's expense.

7.6 The vending machines shall be operated during the entire year, but with reduced time selections arrived at by mutual agreement for the summer sessions and school breaks. Vendor shall keep all vending machines adequately supplied with merchandise.

7.7 In addition to the necessary operating instructions, the vendor shall provide each vending location with information to the user where malfunction reports, product quality comments and refund requests may be made. All information including permits, licenses and price regulation required to be posted shall be displayed in an appropriate manner agreed upon by The Group without defacing the facilities of The Group.

7.8 Vending equipment not removed from The Group's locations on termination of this contract and/or after ten (10) days written notice to the vendor may be removed

and placed in storage by The Group. All costs of removal, storage, product and revenue loss shall be at the vendor's expense.

- 7.9 The Group will provide utilities at no cost to contractor but shall not guarantee an uninterrupted supply of water, electricity or heat except that it shall be diligent in restoring service following an interruption.

The Group shall not be liable for any loss which may result from the interruption or failure of any such utility services.

8.0 Equipment and Facilities Maintenance, Replacement and Sanitation

- 8.1 The Group's representatives shall have complete cooperation and access to all vending service, production and storage areas for inspections which they may conduct. Inspections may be at the request of The Group or said agencies discretion. In addition, a District Manager representative of the vendor shall conduct thorough equipment and facilities maintenance and sanitation inspections periodically at least four (4) times each contract year beginning the ninetieth (90) day from the commencement date of the contract. Vendor representatives who normally provide inspections and reports as part of their equipment or product services shall be encouraged to conduct frequent inspections. A copy of all individual inspection reports shall be furnished to The Group's representatives pertaining to the campus inspected by the vendor. The vendor is responsible for implementing corrective measures required as a result of these inspections and reports within ten (10) days of the inspection.

- 8.2 The Group shall not perform maintenance or repair on any equipment of the vendor. The vendor shall maintain an adequate supply of spare parts as part of its maintenance and service operations, which shall enable the vendor to repair or replace any malfunctioning equipment within twenty-four (24) hours. If any repair activity takes, or is expected to take, more than four (4) days, the vendor shall provide a replacement machine while repairs are accomplished. The vendor's inspection and maintenance program must include a prevention component to identify and replace or repair worn or wearing parts before malfunction occurs.

- 8.3 Repair of machines located on The Group's premises shall be the highest priority of the vendor's maintenance operations. A repairman shall, within three (3) hours of notification, respond to a service call for repairs and commence corrective action. This response time shall apply to any service call between the hours of 7:00 a.m. and 5:00 p.m., Monday through Friday.

Repair or service of machines shall not normally be required on any day between 8:00 p.m. and 6:00 a.m. or on Sundays. The vendor shall provide The Group with a telephone number(s) for the reporting of repair needs. A telephone number(s) to report emergencies on a twenty-four (24) hour per day basis shall also be provided.

- 8.4 The vendor shall supply food and beverage products to the equipment a minimum of five (5) days per week, Monday through Friday, between the hours of 7:00 a.m. and 5:00 p.m. or whatever schedule may be necessary for proper inventory stocking during the regular academic terms and summer school. Specific locations which require product service on Saturday and/or Sunday may be identified by The Group and the vendor shall arrange to provide such product service. The vendor shall be alert to specific equipment which requires product inventory stocking more frequently than once per day to maintain adequate product variety and inventory to provide satisfactory service twenty-four (24) hours per day. Machines in locations identified by Group members as having a need for timed vending services will come equipped with automatic timers to accommodate specified vending periods.
- 8.5 The vendor shall maintain a continuous program of equipment replacement in high volume locations where obsolescence may result in potential service or sales reduction.
- 8.6 The vendor shall keep The Group informed on new industry security measures in use. The Group shall take this information into consideration but shall not be required to implement any specific security measure.
- 8.7 The Group shall provide daily floor maintenance in the vending areas and the vendor shall cooperate in keeping this service to a minimum. Route employees shall clean floor spillage which occurs in the process of stocking, servicing or sanitizing equipment.
- 8.8 The Group shall be responsible for the periodic stripping and sealing or waxing of floors in the vending areas and shall furnish, at its expense, the necessary equipment, supplies and labor.
- 8.9 The Group shall provide waste containers and bag liners in the vending areas, when necessary, in sufficient number and keep them in a clean and satisfactory condition at all times and emptied as often as necessary by The Group.
- 8.10 The vendor shall remove all waste, master cartons, crates and trash from the vending location to dumpsters provided and serviced by The Group.
- 8.11 The Group shall be responsible for the cost of insect and pest control in all vending service areas.
- 8.12 The vendor shall maintain maximum insect and pest control for its products and equipment.
- 9.0 **Commissions, Accounting and Payments**
- 9.1 Commissions payable by the vendor to each of the individual institutions of The Group shall be earned on net sales (gross sales less state sales tax and applicable local and federal taxes) on all items. Payments and accompanying statements shall be submitted monthly.

9.2 Accounting

9.2.1 The vendor shall maintain complete and accurate records of vending transactions for each machine in accordance with accepted industry accounting practices and shall keep in a safe place all such financial records and statements pertaining to the operations at each of The Group's schools or districts for a period of two (2) years from the close of each year's operation.

9.2.2 The vendor's inventory control of reported inventory sales for route employees, after reconciliation to cash collections, shall be used as the basis to compute commissions payable to each of the members of The Group. Collections shall be bagged and counted by machine, reconciled to reported inventory sales and not co-mingled with changer funds.

Bulk hot beverage vending equipment shall be equipped by the vendor with non-reset item sale counters which are maintained in continual operative condition; each monthly statement shall include beginning and ending counter readings for this equipment. Cash collection reports, reported sales and non-reset items sales counters shall be audited on a regular schedule, as determined by The Group's representatives to verify the vendor's inventory control and reported commissions.

Inventory control cards shall be kept for each machine indicating date, product description, sales price and quantity loaded into the machine and they shall be made available to The Group's representatives on request. Product inventory and sales shall be recorded by machine at the time of each occurrence.

9.2.3 A voucher refund system shall be required and shall involve disbursing of funds through each representative of The Group. The voucher system shall include a form supplied by the vendor and approved by The Group to be filled out by the person making a refund claim and shall include the following information: what machine; what happened; date, building and who suffered the loss. The vendor shall expedite and be liable for the supply and maintenance of funds for such refunds to the satisfaction of The Group.

9.2.4 Prior to computation of net sales and commissions due each of the members of The Group, refunds and taxes shall be deducted from gross sales.

9.2.5 Commissions shall be paid on the vendor's revenue losses resulting from theft of money or product from equipment at The Group's locations.

9.2.6 The representatives of The Group may accompany the vendor's route employees when meter counts and money collections are made at any time. During such inspections, cash receipts collected from the equipment shall be jointly counted by The Group's representatives and the route employee at a location and by means determined by each of The Group's representatives. Revenue discrepancies from the composite of these collections and that reported on the monthly statement shall be explained by the vendor in writing as part of such

monthly statements. Vendors shall provide The Group's representatives with a current schedule for collections.

9.3 Payments

9.3.1 The vendor shall pay to each member of The Group the commission earned in each month from the member institution location on or before the twentieth (20) day of the following month, or as agreed upon by The Group's representatives and the vendor. A statement shall accompany this payment with a detailed explanation of dollar sales by machine and item category by location. Abnormal revenue deviations shall be noted by the vendor as part of these statements.

9.3.2 All monthly commission statements and payments shall be sent to each of The Group's applicable representatives. Commission payments and amounts shall be separated by machine on the commission statements from the vendor.

9.3.3 On expiration or termination of the contract, The Group's members will continue to earn commissions on each vending machine at the member's institution until it has been removed.

The monthly statements shall indicate each piece of equipment which was removed during the month to which the statement pertains. Monthly statements and payments shall be submitted by the vendor until all equipment has been removed.

9.3.4 On request of any of The Group's representatives, the vendor shall meet with the representative and review each monthly statement, explain deviations, discuss problems and mutually agree on courses of action to improve the results of the required services included in this contract. Monthly statement adjustments required as a result of review and/or audit shall be identified and reflected on the next monthly statement.

9.3.5 All records pertaining to the operation of this vending service shall be open for inspection and/or audit by the State and/or The Group's respective representatives at any or all reasonable times. The Group shall have the right of unilateral cancellations if vendor refuses to allow public access to all documents, papers or other material.

9.3.6 The Group shall be advised by the vendor of the schedule of the vendor's audit of the vendor's records and operations pertaining to The Group. The Group shall

have the option to participate in the vendor's audits and may request a full report of these audits.

- 9.3.7** At the end of the vendor's fiscal year, vendor shall render an audited and certified statement by a Certified Public Accountant, which shall include an opinion as to the computation and payment of the monthly commissions, reconciling these monthly payments with the annual gross sales and clearly expressing whether or not, according to this agreement, the vendor is liable for additional payments to any of The Group's individual members. The vendor shall make such payments in not less than ten (10) days following written notification by the representative affected.

10.0 Qualification Questionnaire

In evaluating proposals, The Group will take into account the capabilities of vendors to serve the needs of The Group as described in these specifications, by considering the size, scope and nature of the vendor's overall operation and the vendor's prior responsible experience in comparable situations. To this end, each vendor shall furnish, as a part of its proposal, a complete description of capabilities in the field of vending service operations. Included shall be the following:

- 10.1** Name and address of operating company.
- 10.2** The duration and extent of experience in the operation of vending machines.
- 10.3** A list of at least five (5) similar operations and the locations and periods of time where you are or have operated vending services.
- 10.4** A complete balance sheet or annual financial report of your last three (3) fiscal years of operation.

Certification of this report by a Certified Public Accountant may be required.

- 10.5** A table of company organization and a plan for the administrative, management and supervision staffing proposed to comply with the specifications of this contract.
- 10.6** Descriptions of your internal accounting program for:
- 10.6.1** Inventory control for central warehouse and on-location storage areas and route inventory control.
- 10.6.2** Vending service personnel accounting controls.
- 10.6.3** Method of recording, checking and reporting sales.

- 10.6.4 Route and internal control of cash handling, coin counting facilities and refund system.
- 10.6.5 Internal audit systems.
- 10.6.6 Regular accounting and inventory and cash collection control forms used with detailed explanation of the function and use of each item.
- 10.7 A description of your training programs for employees, supervisors and managers.
- 10.8, A description, in detail, of your program of preventive maintenance and regular replacement of worn and/or malfunctioning equipment.
- 10.9 A list of names of all the owners of the company or principals of the corporation.
- 10.10 The vendor shall furnish and include the above data with the proposal. Statements are required to be complete and accurate. Omission, inaccuracy or misstatement may be sufficient cause for rejection of the proposal.
- 10.11 A description of procedures for vending service including responsibilities of vendor and Group representatives.

11.0 Proposal Evaluation Items

The vendor shall complete the following information as indicated. The omission of any items will result in disqualification of the proposal. Before entering the information, read "10.0 Qualification Questionnaire" and "12.0 Award Criteria and Decision" carefully.

- 11.1 Vendor proposes to pay each individual member of The Group on the net sales of all vending items a percentage-based commission of sales. Although the amount of commission payments will be based on individual member sales, the commission rate (percent) will be equal for the entire group.
- 11.1.1 The vendor, at his/her discretion, may offer to make a cash, or other significant, contribution to each of the members of The Group to support services. Please indicate if it is a lump sum or a yearly contribution. The amount determined will be strictly between the vendor and each individual member of The Group and can be based on sales or potential sales of each individual member of The Group.
- 11.2 The vendor hereby certifies that, if awarded this contract, it will enter into and execute a contract document containing terms and conditions substantially similar to these Proposal Specifications and the Instructions and General Conditions attached hereto and will fully observe and comply with all terms and conditions of such contract and so indicate by entering the signature of the vendor's approved representative.

(Signature)

- 11.3 The vendor hereby certifies that it has submitted as a composite attachment to this proposal all information requested in Section 10.0, Qualification Questionnaire, and so indicates by entering the signature of the vendor's approved representative.

(Signature)

12.0 Award Criteria and Decision

- 12.1 Although important, commission and cash contributions shall not be the sole considerations in the award of this proposal.

This proposal will be awarded to the responsible vendor, qualified by experience and past performance in a financial position to provide the items specified and the best service to The Group. In order to facilitate the prompt award of this proposal, the vendor shall submit, with its response, all the answers to the Qualification Questionnaire in Section 10.0.

- 12.2 The proposal of any vendor failing to enter the "signatures" in the blank spaces adjacent to Sections 11.2 and 11.3 or failing to include all information requested in Section 10.0 Qualification Questionnaire will be disqualified.

- 12.3 The Group, based upon its experience and judgement, will review and evaluate the information submitted pursuant to Section 10.0 Qualification Questionnaire.

The proposal of any vendor deemed to be at risk with respect to that vendor's capability of conducting vending machine operations and service to The Group as described herein to the satisfaction of The Group may be disqualified.

- 12.4 By submission of a proposal each vendor agrees that The Group may contact persons who may have knowledge of vendor's experience and capability to operate in a satisfactory way and to take such information into consideration.

- 12.5 In comparing the respective vendor proposals, The Group will determine the best proposal(s) on the basis of which vendor is deemed more likely to provide the best quality of operations and the more satisfactory service to The Group. The vendor's past experience and performance on similar contracts shall be considered.

Therefore, please take notice that The Group reserves the right to reject any and all proposals and to award the contract by negotiation with a vendor(s) selected at The Group's discretion. The Group has no obligation to reissue any request for proposal after all proposals have been rejected.

The undersigned hereby certifies the following:

1. I am authorized to sign this proposal and make these representations on behalf of the vendor;
2. This proposal is submitted without prior understandings, agreements or connections with any firm, corporation or person submitting a proposal for this project and is, in all respects, fair and without collusion or fraud; and
3. If awarded this contract the vendor will enter, execute and faithfully perform a contract containing terms and conditions substantially the same as those contained in this Request for Proposal.

Vendor Name: _____

Vendor Mailing Address: _____

Authorized Signature (Manual): _____

Authorized Signature (Typed): _____

Title: _____

Date: _____

OPTION 1

Attachment #1

Brands and Products

	<u>Product</u>	<u>Proposed Price</u>	<u>Commission</u>
12 Ounce Can - Soft Drink	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
20 Ounce Bottle - Soft Drink	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
	_____	_____	_____

Attachment #3

Cash Contribution to Individual Member Institutions of the Chester County
Schools Group for Support Services

_____ (Name of School or District)

Cash Contribution Year #1 \$ _____

Cash Contribution Year #2 _____

Cash Contribution Year #3 _____

Cash Contribution Year #4 _____

Cash Contribution Year #5 _____

Total Cash Contribution \$ _____

Table of Participating Schools

The organizations listed below, located in Chester County, PA, request proposals from qualified vendors to provide **beverage and snack machine vending services**.

Chester County Intermediate Unit
Matthew D. Altier/Sylvie Baccaro
535 James Hance Court
Exton, PA 19341-2547
610-524-5071/610-383-5725

Owen J. Roberts School District
Dr. Denny G. Bolton
901 Ridge Road
Pottstown, PA 19465-9314
610-469-5100

Coatesville Area School District
Gary Poltonowicz/Sue Pollick
1515 East Lincoln Highway
Coatesville, PA 19320
610-383-7900 /610-383-7900 x4093

Oxford Area School District
Charles L. Lewis, Jr.
119 South Fifth Street
Oxford, PA 19363
610-932-6600

Downingtown Area School District
Richard A. Fazio
122 Wallace Avenue
Downingtown, PA 19335
610-873-0930

Phoenixville Area School District
Michelle A. Diekow
1120 South Gay Street
Phoenixville, PA 19460
610-933-8861

Great Valley School District
Charles E. Linderman/Barb Settanni-Nissel
47 Church Road
Malvern, PA 19355
610-889-2125/610-889-2125 x2135

Tredyffrin/Easttown School District
Harry Oldham
738 First Avenue
Berwyn, PA 19312-1779
610-240-1914

Kennett Consolidated School District
Joseph Lubitsky/Linda Sumulong
Kennett Square, PA 19348
610-444-6600/610-644-1373

West Chester Area School District
Suzanne K. Moore
West Chester, PA 19380
610-436-7000

These organizations, for purposes of reference, will be known as The Group.

The proposals shall be individually sealed and addressed to Mr. Matthew D. Altier, Director of Administrative Services, Chester County Intermediate Unit, 535 James Hance Court, Exton, PA 19341-2547 with the information pertinent to the qualifications, criteria, commission percentage, initial contribution to individual districts, etc. so that the contract award criteria can be based on as much information as possible.

APPENDIX A:
POPULATION PROJECTIONS

Chester County Group Statistics

School District	Total # of Students	# of Beverage Machines	# of Snack Machines	Projected 2000-01 Enrollment	Projected 2001-02 Enrollment	Projected 2002-03 Enrollment	Projected 2003-04 Enrollment	Projected 2004-05 Enrollment	% Change Over Next Ten Years
Chester County Intermediate Unit	1,905	13	8	2,095	2,118	2,141	2,165	2,189	
Coatesville	8,371	27	14	8,472	8,455	8,459	8,438	8,425	
Downingtown	9,975	22	8	10,036	9,968	9,856	9,740	9,562	
Great Valley	3,444	23	11	3,540	3,561	3,610	2,591	2,569	
Kennett	3,540	6	1	3,914	4,063	4,123	4,168	4,235	
Owen J. Roberts	3,865	16	9	4,134	4,411	4,662	4,912	5,028	
Oxford	3,046	17	9	3,024	3,048	3,104	3,146	3,211	
Phoenixville	3,044	18	4	3,442	3,520	3,593	3,665	3,738	
Tredyffrin/Easttown	5,272	13	8	5,514	5,700	5,861	6,030	6,165	
West Chester	11,810	32	16	11,899	12,023	12,168	12,327	12,443	
TOTAL	54,272	187	88	56,070	56,867	57,577	57,182	57,565	133.84

- Chester County, with an 11.1% population increase, was the fastest growing county in Southeastern PA from 1990-1997.
- Between 1997 and 2010, Chester County's population is projected to increase from 418,034 to 460,200 residents, a 10.0% increase. By 2020, the Chester County population will have grown to 489,300, a 17.1% increase.
- In the five school districts of Southern Chester County alone, the **populations** are expected to increase 14.9% from 2000 to 2010, and increase 36.1% from 1990 to 2010 resulting in 27,160 new residents.

TABLE #4

POPULATION PROJECTIONS, SOUTHERN CHESTER COUNTY SCHOOL DISTRICTS

School District	Municipality	1990 Population	2000 Forecast	2010 Forecast	2020 Forecast
Avon Grove	Avondale Borough	954	980	1,010	1,030
	Franklin Twp.	2,779	3,850	4,370	5,020
	London Britain Twp.	2,671	3,870	5,340	6,650
	London Grove Twp.	3,922	5,860	7,240	8,090
	New London Twp.	2,721	3,840	5,490	6,910
	Penn Twp.	2,257	3,180	3,950	4,360
	West Grove Borough	2,128	2,230	2,280	2,330
		17,432	23,810	29,680	34,390
Kennett Consolidated	Kennett Twp.	4,624	5,050	5,540	6,030
	Kennett Square	5,218	5,410	5,520	5,650
	New Garden Twp.	5,430	6,550	7,650	8,730
		15,272	17,010	18,710	20,410
Octorara Area	Atglen Borough	825	960	990	1,010
	Highland Twp.	1,199	1,290	1,350	1,440
	Londonderry Twp.	1,243	1,380	1,510	1,640
	Parkesburg Borough	2,981	3,090	3,110	3,150
	West Fallowfield Twp.	2,342	2,730	3,150	3,660
	West Sadsbury Twp.	2,160	2,670	3,220	3,960
		10,750	12,120	13,330	14,860
Oxford Area	East Nottingham Twp.	3,841	4,270	5,140	5,910
	Elk Twp.	1,129	1,450	1,820	2,150
	Lower Oxford Twp.	3,264	3,790	4,310	4,920
	Oxford Borough	3,769	3,890	3,940	3,980
	Upper Oxford Borough	1,615	1,890	2,210	2,530
	West Nottingham Twp.	2,183	2,420	2,760	3,120
		15,801	17,710	20,180	22,610
Unionville-Chadds Ford	Birmingham Twp.	2,636	3,120	3,390	3,640
	East Marlborough Twp.	4,781	5,410	6,260	6,830
	Newlin Twp.	1,092	1,210	1,390	1,570
	Pennsbury Twp.	3,326	3,850	4,190	4,350
	Pocopson Twp.	3,266	3,930	4,280	4,570
	West Marlborough Twp.	874	910	980	1,060
		15,975	18,430	20,490	22,020
	TOTALS	75,230	89,080	102,390	114,290

Note: Data derived from DVRPC projections for Chester County Municipalities only in respective school districts. (Projections for Delaware County and Lancaster County Municipalities not available.)

TABLE #5

POPULATION PROJECTIONS, NORTHERN CHESTER COUNTY SCHOOL DISTRICTS

School District	Municipality	1990 Population	2000 Forecast	2010 Forecast	2020 Forecast
Coatesville Area	Caln Township	11,997	12,950	13,320	13,610
	Coatesville Boro.	11,038	11,310	11,350	11,390
	East Fallowfield Twp.	4,433	4,990	5,510	5,850
	Modena Boro.	563	580	590	610
	Sadsbury Twp.	2,510	3,040	3,760	4,760
	South Coatesville Boro.	1,026	1,210	1,250	1,280
	Valley Twp.	4,007	4,660	5,170	5,640
	West Brandywine Twp.	5,984	7,550	8,730	9,970
	West Caln Twp.	6,143	7,420	8,210	8,970
		47,701	53,710	57,890	62,080
Downingtown Area	Downingtown Boro.	7,749	7,980	8,020	8,060
	East Brandywine Twp.	5,179	6,830	8,310	9,560
	East Caln Twp.	2,619	3,190	3,540	3,680
	Upper Uwchlan Twp.	4,396	6,010	6,720	7,350
	Uwchlan Twp.	12,999	15,780	16,210	16,470
	Wallace Twp.	2,541	2,830	3,140	3,510
	West Bradford Twp.	10,406	13,140	14,390	14,960
	West Pikeland Twp.	2,323	2,890	3,240	3,510
		48,212	58,650	63,570	67,100
Great Valley	Charlestown Twp.	2,754	2,990	3,190	3,410
	East Whiteland Twp.	8,398	9,780	10,180	10,490
	Malvern Boro.	2,944	3,020	3,040	3,070
	Willistown Twp.	9,380	9,790	9,970	10,150
		23,476	25,580	26,380	27,120
Owen J. Roberts	East Coventry Twp.	4,450	4,980	5,560	6,030
	East Nantmeal Twp.	1,448	1,750	2,190	2,850
	East Vincent Twp.	4,161	4,850	5,980	6,860
	North Coventry Twp.	7,506	8,190	8,650	8,950
	South Coventry Twp.	1,682	1,820	1,880	1,950
	Warwick Twp.	2,575	2,960	3,380	3,970
	West Vincent Twp.	2,262	3,110	3,750	4,340
		24,084	27,660	31,390	34,950
Phoenixville Area	East Pikeland Twp.	5,825	6,070	6,520	6,910
	Phoenixville Boro.	15,066	15,570	15,870	16,170
	Schuylkill Twp.	5,538	5,710	5,870	5,990
		26,429	27,350	28,260	29,070
Tredyffrin-Easttown	Easttown Twp.	9,570	9,760	9,860	9,960
	Tredyffrin Twp.	28,028	28,950	29,380	29,750
		37,598	38,710	39,240	39,710
West Chester Area	East Bradford Twp.	6,440	9,670	11,770	12,850
	East Goshen Twp.	15,138	16,390	16,710	16,950
	Thornbury Twp.	1,131	1,280	1,410	1,580
	West Chester Boro.	18,041	18,120	18,270	18,340
	West Goshen Twp.	18,082	19,350	19,450	19,550
	West Whiteland Twp.	12,403	15,270	16,580	17,060
	Westtown Twp.	9,937	10,610	11,230	11,840
		81,172	90,690	95,420	98,170
	TOTALS	288,672	322,350	342,150	358,200

Note: Data derived from DVRPC projections for Chester County Municipalities only in respective school districts. (Projections for Delaware County and Lancaster County Municipalities not available.)